

The complaint

Mr N complains that Revolut Ltd has declined to reimburse a payment made as part of a scam.

What happened

Mr N received a call from a scammer purporting to be one of his banking providers. He now believes they obtained his details when he previously responded to a phishing email. Mr N was persuaded that his account was at risk, and to move his funds to his Revolut account. The scammer then told Mr N to expect a code from Revolut that he would need to share to verify his identity, which he did. Unfortunately, this code was used to set up Apple Pay on the scammer's device. Mr N is disputing a payment for £4,700 made using this Apple Pay.

Revolut declined to reimburse Mr N on the basis that the payment was authorised. When Mr N complained, Revolut said that a chargeback wouldn't be successful due to the way the payment was authenticated in person on the device Apple Pay was set up on. It also said that a verification code sent to Mr N's phone number was used to set up the Apple Pay on a new device and relied on its terms and conditions which say that it won't refund money if its customer *"intentionally or carelessly failed to keep your security details or Revolut Card safe..."*.

When Mr N complained to our service, the investigator didn't uphold the complaint. In summary they concluded that Mr N had shared an OTP with the scammer and taken steps in his banking app to unblock his card, which involved confirming a payment made using this token was genuine, before the disputed payment. They weren't persuaded Mr N hadn't agreed to a third-party making payments on his behalf. Without an explanation for why Mr N took these steps in his banking app, the investigator didn't think they could reasonably conclude an intervention by Revolut would have been effective.

Mr N didn't agree, he said he didn't remember seeing the screens in his banking app (that the investigator shared examples of) when it came to confirming a payment was genuine and unblocking his card. He maintained that if he had done this, he would have been following the scammers instructions without realising he was doing this. Mr N reiterated that the activity should have appeared concerning to Revolut, and that he thinks this is supported by the fact Revolut blocked his card in the first place.

As an agreement couldn't be reached, the matter has been passed to me for a decision by an ombudsman.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so I'm not upholding this complaint for similar reasons to the investigator.

Has Revolut acted fairly in treating the payments as authorised?

Under the relevant law - the Payment Services Regulations 2017 (PSRs) – the starting point is that Mr N is liable for payments he authorised. Revolut is generally expected to reimburse unauthorised payments.

Where a payment is authorised, that will often be because the customer has made the payment themselves. But there are other circumstances where a payment should fairly be considered authorised, such as where the customer has given permission for someone else to make a payment on their behalf or they've told their payment service provider they want a payment to go ahead.

It's common ground that Mr N fell victim to a scam in which he thought he was speaking to one of his banking providers and that his funds weren't safe. Mr N was persuaded to move his funds to his Revolut account, but disputes authorising the payment out of this account.

Mr N recalls sharing an OTP with the scammer, he remembers needing to verify himself. We now know this OTP was used to set up Apple Pay on a new device, and this was then used to make the disputed payment.

Mr N has sent our service a screenshot of the SMS messages he received from Revolut at the time of the scam. The first provided an OTP to log into his account, the second provided an OTP to add a card to Apple Pay and said "*To add your card to Apple Pay, use this code: XXXXXX. Don't share it with anyone. No one from Revolut will ever ask you for this code. @revolut.com #XXXXXX*". The third said "*We've frozen your card ..XXXX to prevent fraud. Please open your Revolut app to take required actions.*"

Revolut has provided evidence to show that there were two lower value card payments attempted that were both declined due to insufficient funds in the account. And that the second attempt triggered it to block the card. The card was then unblocked using Mr N's trusted device – this process involved reviewing the payment attempt that had caused the card to be blocked, confirming they recognised the payment, and selecting "*unfreeze card*". The account was then credited with £4,780 before the disputed payment for £4,700 was made.

Where evidence is incomplete, missing or contradictory, I need to determine what I think is more likely than not to have happened. I do this by weighing up what I do have and making a finding on the balance of probabilities.

I've considered what Mr N has told us about the scam and his recollection of events. Based on the evidence provided by Revolut I think it's more likely than not that Mr N did take the steps to confirm he recognised one of the declined payments and unblocked the card before he credited the account.

Without a plausible explanation from Mr N about why he took these steps, I don't think Revolut has acted unfairly in holding him liable for the payment. I understand that seeing the two declined payments could have persuaded Mr N the account was safe, but this doesn't explain why he would have needed to confirm a payment that he says was unauthorised was genuine, or why he'd need to unblock the card. These steps are more indicative of someone wanting to make payments rather than prevent them. Mr N has told our service that he moved his funds from another account to Revolut believing this was necessary to keep his funds safe, it's possible that premise continued or evolved.

I recognise Mr N has been the victim of a scam, but for the reasons explained I think Revolut can treat the payment as authorised on the basis that he likely agreed to a third-party making payments on his behalf.

Did Revolut miss an opportunity to prevent Mr N's loss?

An Electronic Money Institution ("EMI") such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the PSRs and the terms and conditions of the customer's account.

But, taking into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Revolut ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

The investigator concluded that without an explanation for why Mr N took the steps in his banking app (as set out above) they didn't think they could reasonably conclude that a further intervention from Revolut would likely have prevented Mr N's loss.

I've reviewed the disputed activity and Mr N's account statements. I've also considered that setting up the Apple Pay involved two factor authentication in the form of an OTP sent to Mr N's mobile number, and Revolut took steps to verify the activity on this new device was being made with Mr N's knowledge by requiring him to go into his app and confirm this as part of unblocking his card. Further as part of the process in unblocking Mr N's card, Revolut included a warning to *"Beware of scammers. If someone is claiming to be from Revolut and telling you to do this, cease all contact and terminate the card."*

Having done so, I'm not persuaded that a further intervention would have been required in the circumstances - while the value of the payment was higher than was usual for Mr N's account, it would still be considered relatively low risk and Revolut had already taken steps to confirm Mr N's awareness of the use of the Apple Pay. But even if Revolut ought to have intervened, this would have been in the form of a more general scam warning. Taking into account what Revolut did to protect Mr N, and without an explanation from Mr N as to why he took the steps I've concluded above that he did, I agree that it wouldn't be reasonable to conclude that a further (proportionate) intervention from Revolut would likely have prevented Mr N's loss.

As I've said, the payment was authenticated using Apple Pay and made to a genuine merchant, so once it was processed it couldn't be stopped or recovered.

For the reasons explained, I don't think Revolut needs to reimburse Mr N.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 16 January 2026.

Stephanie Mitchell
Ombudsman